

Moran Sponsors Legislation to Encourage Health Care Savings, Provide Tax Relief for Coverage

WASHINGTON, D.C. - Congressman Jerry Moran sponsored legislation today that would improve the current health care system by lowering costs while providing more access to quality health care. The Health Savings and Affordability Act of 2009, H.R. 3610, would make improvements and expansions to Health Savings Accounts (HSAs) while making health care insurance tax deductible for every American.

"Almost everyone agrees that our health care system can be improved," said Moran. "One of my ideas for health care reform is to empower individuals to save now for future and long-term care needs by utilizing Health Savings Accounts and other incentive plans. These plans enable people to take ownership of their health. The Health Savings and Affordability Act would expand HSAs and make health care insurance tax deductible for everyone."

HSAs are medical savings accounts available to individuals enrolled in a high deductible health plans, allowing them to save money - tax-free - to pay for health care expenses.

Currently, individuals receiving health insurance through an employer-sponsored program receive benefits using pre-tax dollars. Individuals paying for their own health care insurance out-of-pocket, pay for their plans with after-tax dollars. To improve fairness and to correct this disparity, the HSA Act would provide for a tax deduction for qualified health insurance costs for individuals who purchase their own health insurance. Additionally, this bill would increase the annual contribution amounts to HSAs, provide greater opportunities to roll over funds from Flexible Spending Arrangements and Health Reimbursement Arrangements to fund HSAs and improve options for purchasing health insurance with HSA funds.

“HSAs are a proven form of ‘patient-driven health care’ because they are proven to be cost-effective and efficient while giving patients control over how their health care dollars are spent,” continued Moran. “HSAs and other health incentive plans should be a component of health care reform that Congress considers.”

In addition to incentivizing health care savings, Moran's ideas for health care reform include: medical liability reform; an increased emphasis on wellness and disease prevention; providing tax incentives to low-income families to retain or purchase private health insurance; implementation of health information technology; and training more medical professionals and encouraging them to practice in underserved areas. Moran also supports finding responsible ways to address the problems caused by pre-existing conditions and to increase the size of the pool of insured.

The House Democrats' health care reform legislation currently being debated in Congress could severely limit and even eliminate HSAs. Under H.R. 3200, HSA-qualified plans would only be deemed acceptable coverage for the first five years of enactment of the bill. Their status after five years is less certain, possibly resulting in the elimination of HSAs as a viable health care option for millions of Americans.

To read more about Moran's ideas for health care reform, [click here](#) .

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